

MUTUAL OPERATIONS**MUTUAL RESERVES****REPLACEMENT RESERVE FUND –Except Mutuals Fourteen**I. Information

The Regulatory Agreement (FHA Form 3225) between the Mortgagor (Mutual) and the Federal Housing Commissioner (FHC) requires that the Mutual shall establish and maintain a reserve fund for replacements by the allocation to such reserve fund in a separate account with the Mortgagee. The amount is determined by contact and the Replacement Reserve is available for the replacement of the following items:

1. Range, electric
2. Refrigerator, electric
3. Kitchen Sink
4. Lavatories and Fittings
5. Toilets and Valves
6. Bath Tubs, Fittings, Shower Stalls
7. Laundry Tubs, Trays, Washers
8. Laundry Dryers
9. Hot Water Heaters, electric
10. Garbage Disposers
11. Heaters, Electric Radiant
12. Roofing, Built-up or Shingle
13. Flashings, Gutters, Downspouts, GI
14. Asphalt tile
15. Electric Fixtures
16. Ventilating Fans and Blowers
17. Door & Window Screens, aluminum

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Whenever any Mutual Board determines that an item on the above list needs replacement, the procedure is as follows:

1. Authorize the work to be done and payment to be made upon completion.
2. Adopt a resolution certifying that the work covered by the receipted bills attached has been completed, and request reimbursement from the Reserve for Replacements Fund in the amounts enumerated and the items specified. Further authorize an officer of the corporation to execute the form attached.
3. Request the Administrator to present the request for withdrawal from the rve for Replacements Fund for the items replaced.

Mutual Fourteen: Rescinded 02-20-18